## UK may press ahead with HK democracy plan







 - Page 13

French privatisation price expectaot The
French government is today expected to announce
the share price of Banoue Thench overmentis today expected to announc
the share price of Banque Nationale de Paris,
the first state company in
 at between FFr250 and FFTP755. Page 15
us hellicoptar shot "US hellcopter shot down: A US helicopter
wás shot down durng a UN operation in the
Somali was shot down durigg a UN operation in the
Somamil capital. Mogadish. The fata of its crew
.. Page 5 Known. Landmine kolls troops, Ald flown to Indla: Foreige aid was flown
to victims of madia's worst earthquake for 50 y
 - isinto, the intermational trading conglomemerate, is poised to appoint its first non texecutitives for
. two deeades this weeek a step towards becoming Groupe Bull, troubled French state


 involved in corruption scandatis. Their tactic - has been to pleazargain with

 fell only slighty ty but thefr hours bin traiuing fell
from 40 m in 1999 to jubt over 25 m in 1992 Page 6

 Gamorgian rebels advance: Rebels hostile

 The rebels support ousted president Zvian Gam
burdia, who 1 spountiog a comeback from his
home region of Mingrelia European Monetary System: The Dutch
guider is the strongest currency in the
 cent higher than its ecantral rate against the Danish
Hane. the grid's weakest member. Currencies,
Page 23 - Ents oridid


## VW seeks Fiat has discussed \$185m

which move in a narrow 2.25 per cent bard
Woaxico contract for UK group: Sritian's contract to provide water services Froincti rall workors strikos Froench railway
workers began four days of industrial action in
protest protest against a wage freeze. They plan th
a demonstration in Parls on Wednesdyy. Swiss Reinncurance, the world's second largest
 share eplit and rights issue to raise SEFT575m
Gross priemiums rose by 25.6 per cent last year Gross premiums rose
Hasitige Banda Mu: Malawi's elderly
fifepresident Hastings Kamuzu Banda has been Hifepresident Hastings Kamuzu Banda has been
nown to South Aftica for medical treatment

Jaguar eyos Chnnese market UK hexiry car maker Jaguar is to enter the cuncen international services and martreting group as its exc
mporterdistributor for China Page 6


## Parliament controlled by Rutskoi forces

Liamentary speaker Mr Rusisan
Khasbulatov, prompted when the Russian president amnoumced the disbanding of paribament and a
freshe election
Mr Yeltsin, wbo rushed to the Kremlin yesterday afternoon




The battie for Moscoow

from sale of housing
Frankfurt
VOLESWAGEN, the trouble
erman veticie maker,

poam town of Woilibburg to com-
pany tenants.
Nive accounts in the three out on more than one in five bouses and the right to ohuy their homes
tit they chose not to buy, the properties will be soid on the Althongh security of tenure is demands for rent increasese from high cost of home loand the
 social componyny's "attack on
the companyy's widie-rantrating $\frac{\text { the company's wide-ranging }}{\text { Continued on Page } 12}$

## European links











 co-perate. But he said that in late on Friday, allow Finat share


 ppit between six maim produccers,
with Vollss wagen, the iiget,
coumting for aboutt 17 per cent.
Fiat

A patriarch constrained, Page 11


mane prone

$\qquad$ Manemad finde Klony Mandere



A crowd with only


Fringe voices that swelled with shocking prophecy

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## at the

## top：


sharpens Bosnian Mosiem rivairy sharpens
as troops storm radio station
 Hunger bites but Milosevic finds it hard to give ground
Laura Silber finds Serbia groaning under economic sanctions

| N AN ATMTEMPT to pre－ | State－run television hroad－ casts public denounciations of | ing the sanctions and staring | he must get rid of the hart－line |
| :---: | :---: | :---: | :---: |
|  | ， |  |  |
| to samitions． |  |  | Mr Milosevic may be willing to make concessions but it is |
|  | spiral after monthly in | Belgrade＇s Bosnian Serb |  |
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Clinton backs Russian leader
By Gutan Tett in Londan，
Nancy Dunme in Wzastangton Nancy Dunsene in Westington
and Cuertinn Peel in Bogn PREsIDENT Bill Clinton
yesterday threw his weight vesterday tirew his weight
behind Russian President Boris
Yeltsin and blamed the＂signif． Yeltsin and biamed Me signir
icant vioiencer im Moscow on
the forces of Vice President Alexander Rutatkoi and parriia－
mentary speaker Mr Ruslan
Khasbuatov． Speaking on the White
House lawn，Mr Cinton said
Mr Yeltsin had bunt wier
hackwards to avoid the wise of force．＂
We can the position of waftord to be ing in this
moment or backing of or oriv－ ng any encouragement to peo．
ple who want toderan the elec．
隹 dent Yeltsin nut bepect pepressin
sine the Russian pepople sup－
iorted the president more than ported the president more than
he partiament．
But in the European Commu－ wity meet in Bresssel）today，
whe mood was initially more he mood was initially more
catious．
Britiain and France，who sup－
隹 ported Mr Yeltsin last week，
insisted that the situastion
隹
 more cautious line throughout，
eppressed its concern about
the events the events
Their hesitation appeared to
reflect both umease about the
prospect of bloodshed in Rus－ prospect of bloodshed in Rus－
sia，and a growing concern in
年
 sin＇s ability
ation could
umfoumded umfounded，
In Britinan which was the
first coomtry wholeheartedy to support the Russian presidden
last week most offcial hav
heon last week，most officials have
been insisting thet in spite of
unease about a temporary dic． tatorship，Mr Yeltsin remains
the best vehicle for reform
俍 Coneerra was also mounting
yesterdy about the security
implications of the urest Mrr Manfred Wormer，Nato secre
tary genera，sad d hhat he had
ho





## Milan judges recover funds in Switzerland

| $t$ | collected by lawyers f accused, then deposited |
| :---: | :---: |
| TRATES in Milan have | wacoumt in 3tilan. The |
| 践 ${ }^{\text {cered more than Lioobn }}$ | magistrates are reported conident of recovering more, which |
| ISm) placed to Swiss banks | raises the issue of the real |
| by Italians involved in corrup. | ownership of the money o |
| The magistrates 1 | is proved to have been |
| access to these funds by devis. | obtained ulicitily. Some cin- |
| uick and | already suegested claiming the |
| Sitivities |  |
| nit accounts being openec | belongs to the taxpayer. |
| is based on the | Nilan magistrates are also |
| already widely used hy the |  |
| tes, | ${ }_{\text {Bragiotti, }}$ |
|  | of the statecontrolled Banca |
| cribery and corrup | Commerciale Italiana, in the |
| are asked to identify illicit | hope they |
| funds held outside ltaly and | an alleged sum |
| n to | (533.3m) |
| ney for them to be collec | $\mathrm{An}^{\text {an }}$ |
| Until now. Itali |  |
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|  | ruption related to the zamont |
| in tracing an | atarir - the reorgaaisainon of |
| rlan |  |
| has blamed Italians for | cerri, and Ferruzai's $M$ |
| ing |  |
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| - | ccorrung to usualy remable |
| ding investiga |  |
| ding the need to send |  |
|  | orama, Mr Pino Berlini, in |
| At least six | charge of the Ferrumzi family's |
| aght to have |  |
| us. Among them is Mr Duil | 50.2m to be paid to |
| Poggiolini, a former senior | Mr Braggiotti in 198990. The |
| sil servant to the health min- | funds are alleged to have co |
| eek told m | from offshore Montedisd |
| istrates he had SFrilm (55m) | monies and were transferred |
| witzerland a | on the orders of the |
| L200bn in | Gardini in return for |
| roperties. | granted by Mr Braggio |
| iss funds are being | Eanca Commerciale. |

## Segni seeks new

 reformist accord| MR Mario Segni, leader of the | The former Christian Demo- |
| :---: | :---: |
| rendum movement in Ital | crat ma |
| called at the weekend for | that $h$ |
| pact among lit | alternati |
| ist forces, after his split from |  |
| Democratic Alliance. writes | on the right and |
| Robert Graham in Rom | Occhetto's Party |
| His departure from | crat Left (PDS |
| loose political group | Mr |
| malised on Priday | ed by his r |
| opened the way for a fresh | AD ally with the PD |
| arrangement of the alllances at | feared the movement |
| the centre of tadian | manipulated |
| Speaking at a rally near | communists' desire for |
| ia in Stcily, Mr Segri sald | He is now free to |
|  |  |
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| renewal" that would focus on a | Man |
|  | his departure from it in Ma |
| the political partles pre- | was temporary. Mr Min |
| in | Martinazzoli, the party |
|  |  |
| Mr Segni has cut free to stake | desire to see Mr Segni back |

## The search for both more and better jobs


INIERNATIONAL ECONOMIC INDICATORS: PRODUCTION AND EMPLOYMENT



Israel to - continue hunt for

Proposals will be in line with Hosokawa's drive to scrap costly regulations Tokyo plans cuts in import barriers


Imports to China up $27 \%$ CHINA'S trade account
remained strubornay in the red in the first eight months of
the year in spite of efforts to bost exports and courb
imports, writes Tony Walker
in Beijing. imports, writes Tony Walker
in Beijing:
The Einistry of Foreign The Ministry of Foreign
Trade and seonomic Cooperaz
tion reported that the coun-

 Ro than s52bb.
Reitimg has set as arget
for this year a balance
between tumports and exports, for this year a blance
between tuphorts and exports,
bout it seems this will be pirta-
and

 year. it last registered a trade
deficit thi 1989 . A stablissation programme
introdnecd in Jume aimed at
and



 ness Weeksly quoted a ministry
official as saying it would be
oftimeutt to repeat last year's trade surplus".

Referendum pits Mubarak against apathy









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been strainiexacrise
ctitenghin
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 banners have assautited and
Egyptian public for weeks to








## NEWS IN BRIEF Earthquake aid flown to India

INDIA received its first fareteg shipment of disaster relief aid since independence in 1947 when a US cargo aeroplane carying tince independence in 1947 when a US cargo aeroplone canying yesteriday, Reater reports from Bombay. The arraraft also carried President Biil Clunton's personal envoy, Mr Ray Kyym, who win

assess India's aid needs following the earthquake last Thursday.

 chief minister, ppt the total number of bodies recovered so far at
g,peq, and and officials said the final figure was ulikely to be much
more than double that.
France acts on Sunday trade



 CDU nominates Heitmann
 Tentiti Peelim Bonn The umanimous decision of the party's national executive was
taken in spite of widespread critcism of Mr Heitmana as an
unremarkable He has been attacked by fellow members of the CDU, the party
of Chancellor Helmut Kohl, as well as by the Free Democratic
 Algerian pipeline re-opens Promping of oil to Arrew, Algeria's main export outlet, will
resume todey, six days after a fire had forced the closure of a pipeine The pipeline carries between 350,000 and 375,000 barrels a day. US in Saudi flight accord Saud Arabia has signed an agreement with the US to allow US
airinnes to fly to Saudi Arabia for the first time, Reiter reports The ofacial Sandi Press Agency. SPA, said the agreement, the irst aviation accond between the two comptries, was signed at the
weekend. The Saundi national carrier, Saudia, llies to the पS but wo Amencan parline has scbefuled dilghtst to Soundi Arabia
no Aus
SPA said the agreement would allow US airlines eight passen-


Landmine kills interpreter A somali toterpreter was billed and three US marines were
wounded yesterday when a landdine exploded under their


On a Mercedes-Benz, you'll find ABS, EPS and ASR. But no CFCs.

cedes-Benz hava always $M_{\text {been a cnmpany that thinka }}^{\text {ercedes-Benz }}$ about tomorrow. Which might explain why they have grown to be expe world'a largest manufacturer nf tricka and vans.
cher maker to They were the first truck maker to offer anti-lock braking, well ahead of the requirements of the law.

They developed ASR, a safer and mure efficient way of transmitting the power from driven wheels to the road. And they created EPS, which gives the driver total control of his gearshifting without the physical - effart assnciated with heavy-duty synchromesh. All of which explains why a

MercedesBenz is a safer, more efficlent truck for tha operator. But a truck with the threepointed star happens to be a more environmentally sound way of transporting goods than many other trucks, too.
Naturally, MercedesBenz trucks meet all known noise and emission
legislation, but they go much further. The palnts Mercedes use, for example, are largely water, not solvent-based. There's widespread use of recycled materials in the production process. And none of the foams or refrigerants used to nake a Mercedes contain fozonedamaging CFC's.



Companies must do more than just restructure, argues Christopher Lorenz

## No less than rebirth




## TIPS FROM THE TOP Be direct - but don't preach or complain <br> Christopher Haskins, chairman of Northern Foods,

 offers advice on how to handle the press| $A^{\text {free }}$ press hes two min |  |  |
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| speak directly to the press. Thisdisarms the latter, as well as mak-ing them self-important. Thev, |  |  |
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## Thionship <br> mess can <br> into a inst as the fiding the a <br> tcan result Foner


tacing vorld joes urbo

## Samuel Brittan Where Gatt＇s \＄200bn really comes from



T



Search for wealth
in the waste
Bronwen Maddox assesses the economic cas for the Thorp nuclear reprocessing plant

behaviour a decade from now．
Oofficials in the Treasury and
DoE share the conclusion that DoE share the conclusion that the plant．although it is per． hap not as strong as BNF suy．
gests．DT1 officials express
more confidence that BNFs． projections are sound
If the plant is likely If the plont is likely to be
rofitalle，giving the go－abead woutld be，givceptahle to to thead
 best solution for the CU or for
Thorp＇s customers．The OK might make more money from to keep customers＇fuel in dry
torage．Greenpeace has public consultation Although this is regarded by
sNF as a near－unthmkable
option，it tas been considered ption，it has been considered
rienly by the government
ariy this year．to confifiential iscussions organised bo a cab． dials questioned whether it eous for the UK and for
Thorp＇s customers to abandon released from penalty clauses would gain from being able to
choose chaper options scrat as
dry storage of fuel．The UK
would gain if it could charge

## LETTERS TO THE EDITOR

Number One Southwark Bridge，London SE1 9HL

## AUDEMARS Piguet

l＇be master u＇cltchmaker．


OUR MASTER WATCHMAKERS HAVE ALXAYS BEEN A LITTLE AHEAD OF THEIR TIME．

Emu not a discredited objective

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European Monetary Union＂． European Monetary Union＂．
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| Firm stand must be |  |
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| be allowed to continue． | ment which would undo half |
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| massively funded vested int |  |
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Problem an opportunity Rran II freaff Amold



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They pere per They were，respectively，that
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Ludicrous for US to impose high textiles tariffs
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What

 happen again or the replace
ment of ERM by some other
system that avoids the ident． system that avous he
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We smound not fool ourselves Whe should not fool ourselves
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iticians who have foiled．




## FINANCIAL TIMES

Tel：071－873 3000 Teler 922186 London SEI 9HI Monday October 41993

## Euro airline alliances

\begin{abstract}



Opening markets
A better andidote to cartelisa－
tion would be farther openins
of markets．Despite recent liberal．

$\bullet$

## Brazil and its constitution



，
 Fiat＇s chairman Gianni Agnelli，faced with
criticism of his refinancing plans，talks to Peter Martin and Haig Simonian
A patriarch constrained

## Unruffled：Gianni Agnelli

smart Paris hotel amd ponders the
question is he worried？
orost peophe would say he has a
lot to be worried about．Flat，the car

 sast had to prop up its fupancos with
tialy＇s biggest rights issue；
like
other large groups，It has been other large groups，It has been
implicated in tuays briver scan－
dals；ite share of a shrinking Itajian




Thave partners coming in and they say，for God＇s sake， you aren＇t going to leave＇



I＇ve seen such ups Tve seen such ups
and downs，at Fiat and in my life，that I just take that as part of life，part of
industrial history＇ and they say For God＇s sake，you
arent toving to do all this and then
leave＇． Jeave．The partners are Germany＇s Deut
sche Bank．the Italian merchant


 as to avoid swamping the minority
partuers says Mr Agneli．
How long will he now stay on as

## OBSERVER

Chasing a larger union？

It was never going to be easy for engineering workers＇mighty，to find
a replacement for Frami a replacememit for rranzz
Stemikuhler fite charismatic former
boss boss who resigned after allegations，
of insider dealing back in
 in Mainzz on sanumuary，chone carefolly archestrated process of passing the baton to to temikidhler＇s former
deputy，Kans Z wwickel，almost came umstack when a member from
Wuypertal stormed
Onto the plantornar denoumed the leadership， anh suld restum
For a courple of minutes，the hall
was in was in upproar，，unitit Stuenk
himselthler Himsell strooe to the rostrum
You camot tumn back the pages You carmot tumn back the page
of history，he said，decllining the
nomination＂＂We need to mote nomination＂We need to make
a now start＂
Stembrther letting the grass grow uander his Observer can revereal thent he is usth
 hoors every morning
Which lends a iitle e extra credence tor mours that the
exunion leader might just be lin himsolif up us one of the German
caniflattes for the new Furopean candidates for the new E
Commistion next year．



 best person to be charrman of that．
Everything be does，he＇s always
done muct Everything be does，he＇s always
done much better than me．Fe＇s
much more setious than me，he＇s
worked murh herter worked much hardier than $I$ heve，
But in endorsing Umberto．he
said，he was expressing a personal opinion and copild not speak for orh－
ers．＂With the hard core，the chair－
 others．I can＇t see why they would
not give their consent，but I can＇t
speak for them．
So how So how mem pheh will the arrange
ment owtth the new partners tie bis
hande？wWe have just started hande？＂We haw partenser tie
work together．I am curtioust to
bow much work together．I am curious to se
how much interest they will tate
Wont their presence on a ne
limmedion
 Row whem ind
 baer hes beas namoter or som














 Triech onany I think that it





 Gs ony feasible at the moment for
Germany．Francan and Benelux，plus
Austria and Switzerland．They
 have any problems with a two twpee
Europe？Well I Imean it is two
two

 diustrial history．You have very
ittle socope for determining thing
Dourself．
Doexpect Aenell family
control to survive into the next gen－



## FINANCIAL TIMES

Monday October 41993

Patten set for critical ministerial meeting UK may ‘go it alone’
By Simon Holbert
in Hong Kong



Cheering supporters rescue Rutskoi Continued from Page 1 shot dead and another injured
Again the troops fell back, disappearing down side streets, oth fices. The crowd were marongh and charging np whe ramp and
ound to the back of the White amhse, where they were
minraced hy the hilding'
ong-term defenders. who seteres on September 21 who
Wht
Preseriistandment of parniomenced. the monted "hoarrah" tuntil the Then, to a huge cheer, out
came General Alexander Rut a a rival president. his body All able-bodied men who wis Noin us form yourseives wisto Gouse. You will be given arms
and will take the mayors
atice centre, some fo for
metres awayl."
Uprising



VW to sell housing stock
Continned from Page 1 search for savings. Its housing
subsidiary has 12,700 homes on its books - worth an estimated
DM2.5bn - and says the selloff It vell on the way to success.
According to German media reports, the monthly cost of
mortbage on a typical, modest
 apartment
Wotshnurg is a company town nuthe old style, with nany of its
cutrural aud social facilties pro-
ided by vW . Company nats
 and

Sweeping changes likely for Lonrho board

## By Rola Peston

## ONRHO, tha

 trading conglomerate mintional hig step towards becoming amore conventional pubuic company this seeens hy apuointign its
first non exeentive directors for The company's directors
received a proposal at the weekend for the appomement as non-
executives of Mr Peter Harper, a exsectives of Pr Peter Harper. a
director or Henson
Anglo-American conglomerate Anglo-American conglomerate.
and Mr
man of Aven Wallill
mish cher, the fairand
man of Ateven Wails. the chairs. the foir
processing and histribntion grocessing and They have been recruited by Mr Dieter Bock, what hit begin
ning of the year acquited an 183
per cent stake in Lourtio and was
 then appointed joint chief execur
tive with Mr Thy Roviand Lon-
rho's guiding force for 30 years.
Mr walls and yr whose remaneration wWH he s30.000 a year- are expected to
set up Lonrios first ever audit committee. to review its financial
performance. Mr Rowland, who has been
opposed to nonerecutives since 1973 when the socalled "straight
eight
Smalliecters. led by Sir Basil
Smpet eigh" directorss. led by Sir Basil
Smallyeice, then deput chatr-
man, tried unsuccessfully to remove bim as cociefsestully to
Mr Rowland is not expected to try and hlock this week's
appointments because Mr
made it a condition made it a coodition of his thvest
ment in Lonrto that nonevect. ment in Lonrho that nonesecur
tives should be appomted
In the coming anonths, Mr Bock
. In the coming months, Mr Bock
is expeted to recruit one or two
further non executives. In the longer term. he is also likely to
seek to reduce significantly the seek to reduce sigivicicantly the
number of fultime exeentives on
the board from the present is the boara from the present 12
Redurctions in the nem of
execulives sinl also help bime out
 London's Cheapside, which are
morot ban
Mr boama a years. sees the appoint


[^0]
## П/ Снемісац


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## Ladbroke acts on rumours

 some Suuday newespore group himes wition tif

Babcock's now duo



US bonds gyrate



## Support for UK gilts





## Alan Cane and John Ridding report on the plight of the french computer maker Bull pleads for FFr9.2bn aid













 Sures triclution thactary conesurs







## W.




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As the Russian prestident
Barts. Yetting is finding out the the
path tor those wio
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 Objeet Lesson for thoridess with -the worlal managing economies dominated by a s.oningle
 ع. cess. Now it it it phemed in of one tere retor's less stable coum-




Anatomy of a stalled reform programme


Economics Notebook
By Stephen Fidler




The sign of excellence

## Biotrace plans flotation via private placement

| Paul Taylor | bacteria. An electronic instru. ment called a luminometer is | Mr Brian Levett, managing director, said the original |
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| BIOTRACE International. | then | ors still have to decide |
| developed a simple and | d | be released to the mar- |
| electronic test |  | ket. He said additional funds |
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| nis autumn. | About one-third of its syster | sales operatton in th |
| e Bridgend-based com- | are | ners |
| pany, whict claims to be an |  |  |
| microbial testing syst |  | group, Foss Electric. |
| come | ing in a rapidly growing mar- |  |
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| nd broker | sou, a former Welsh Water | new rapid testing systems in |
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| Biotrace systems use a na |  |  |
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| stance called Adenosine |  |  |
| living cells including | Welsh Developme |  |
| Ladbroke injunction |  |  |
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| against Mail <br> By Antonia Sharpe | on Sunday | at Do It All |
|  |  | By John Authers |
|  | entirely false. are highly damaging." | A new business strategy for |
|  | ned an injunction against |  |
| group, bas obtained an injunc | a national newspaper present- |  |
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| ructed | to its atte | Boots and WH Smith |
| $n$ a letter informing tbem | One mon | also been in discussions witb |
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|  | Ladiboke. Ho | toat parcels of stores had |
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| bankers and the clrcumstance |  |  |
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| umours, as well as being |  | th sales down 7.3 per ce |

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Scottish \& Newcastle plc E21,334.452 nominal of converible non.interest bearing subordinated unsecured
loan slock uhe "Stock ", divided inio $106.672,258$ units of 20 ep each, automatically
converible into new ordinary shares of 20 p each.

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los,67,258 new ordinar
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## Scortish \& Newcastle ple is the holding company of a group eng and retailing of beer and in the operation of leisure activiea.

Coples of the lising pariculars may be obtained during nomal business hours from
the Company Announcements Office, the London Slock Exchange London Exchange Tower. Capel Court Enrance. off Barholomew Lane. London EC2N 1 HP
up 10 and including Gih October. 1993 for collection only, and until 18th Ociober



Scoltish \& Newcastle ple (incorporated in Scolland. registered number 16288)

THIS NOTICE DOES NOT CONSTITUTE AN OFFER FOR SALE AND THE LOAN BANK OF ENGLAND. ISSUE OF $£ 1,000,000,000$

## 9\% CONVERSION LOAN 2011

On issue
On 10 N
f50.00 per $f 100$ nominal of the Loan
$£ 66.75$ per $£ 100$ nominal of the
$£ 800,000,000$ of the above Loan has been issued to the Bank of Eagland on 1 October
1993 at a price of $£ 116.75$ per $£ 100$ nominal of the Loant the balance of $£ 200,000,000$ of the Loan has been rest
under their management
The Loan will be repaid at par on 12 July 2011
Interest will be payable half-yearly on 12 January bad 12 July. The first interest
payment will be made on 12 January 1994 at the rave of $£ 1.9759$ per $£ 100$ of the Loan. Application has been made to the London Stock Exchange for the Loan to be admiued 4 October 1993.
Copies of the notice in lieu of prospectus may be obmined by post from the Bank of
England, New Issues, Southgate House, Southgare Srreet, Gloucester, GLI IUW: at Ehe Central Gilts Office, Bankt of England, 1 Bank Buildings, Princers Strees, London, EC2R 8EU or at any of the Branches or Agencies of the Bank of England; at the Bank
of Ireland, Moyne Buildings. Ist Floor, 20 Callender Street Belfast, BTI $5 B N$; or ot any office of the London Stock Exchange in the United Kingdom.
BANK OF ENGLAND
LONDON
1 October 1993

COMPANIES AND FINANCE
Clean, tidy and ready for new brooms
Andrew Baxter on the challenge for Babcock's chief executive and managing director

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| Market float likely to value Fenchurch up to $£ 80 \mathrm{~m}$ <br>  <br>  <br>  <br>  |  |  |
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| SUGOS MAINTANS PROFITABIUTY FOR THE FIRST HALF OF 1993 Sligos group generated turnover of FF 1,7824 milli$.9 \%$ on a comparable basis, compared with 1992 , it reached FF 64.4 millioo for the first half of 1993, 992. Net cash flow amounted to FF 163.6 millioivalent to $9.2 \%$ of turnover compared with $9.1 \%$ |
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France expected to price ${ }^{\text {comparard }}$ BNP share offer today

## UAP in fresh talks on Victoire




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financing
for YTL







Swiss Re lifts earnings to SFr281m

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## Publicis warns of downturn



Miami group launches Cuba fund By patioc heveron THE Miami－hased Tund
management group Thomas
J．Herfela has

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of though the main purpose
of the fund is to tollow inves．
tors to buy a stake in tba

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|  |  |  |  | atmotines | benefr trom the developmenof economies in the Caribbea region as a whole， Current US law prohibi direct or indirect investment |
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| Investcorp（Bahrah） | Gued Matal | ．Whary goods | c110m | Invasticorp <br> takes control |  |
| NBC（US） | Super Channel（tarly | Televisilon | ع40m | Telaing malority |  |


| （US） | Super Channel（taraly | Teleavision | ع40m | $\begin{aligned} & \text { Taking magority } \\ & \text { stake } \end{aligned}$ |  |
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| Pammella Resctrceaf ANi（both Austratiay Amar Stoel（Rusois） | Jomm venture | Steed | 39 m | Production \＆ marketing move | deterioration of the ec and social inirastruct the island and the grac |


| Waterford Foods （Iretand） | Unlt of Daky Creast （UlQ | $\begin{aligned} & \text { Dainy } \\ & \text { products } \end{aligned}$ | 87．4m | DC continues dairy sales |
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| Macmilian（USS／Triobe | $\cdots$ | Pubulshlıg | 80，4m | Controwerssal linkelup |
| Nesth（ （sutzartana） | Dear Pank Spring Water （US） | Soft dintis | N／a | Buy through Perrier Group |
| Horgikong \＆Shanghal Banking Corp（ral） | Banco OTHIgons（CMili） | Banking | N／3 | $\begin{aligned} & \text { Taking 10\% } \\ & \text { equity stake } \end{aligned}$ |
| Wella（Germamy） | Sebestian International （MS） | Pessonal care | n／4 | Taking control－ Fing stake |
| Phallp Morris（US） | Almaty Tobacco （Kazelthstanc） | Tobacca | n／8 | $\begin{aligned} & \text { First signifi- } \\ & \text { cant western } \\ & \text { stake } \end{aligned}$ | the iscondal anirastructure on

sion of pradual ero－
sonularidest Fidel castro＇s popularity and power has led
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nessmen especially those In
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end of communist rule it Cuba
and the lifting of the US
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Mr Herfeld said that most





C．J．Lawrence $\square$ Deutsche Bank Securities


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© Em



INTERNATIONAL BONDS
Global offerings push US houses up league table






RISK AND REWARD

## Setback for active

 quantitative fund management sector


Decislon Makers In over 160 countrles
worldwide will see this survey. If you wish to
 FT Survoys


PC GUODEL

Please call James Burton on 071-873 4677
Listening to Anything NTERESTING AT THE WEEKEND?
The Weekend FT Record Page is published second Saturday of each month.

> If it's in - it's in.


INFORMATION CAN OFTEN GET TO You rather Too Late.


Safety and yield. That's what seasoned investors demand for their international fixed-interest portfolios. Take restraints stipulated by German law. In the first place, they can only be issued by certain specially secured by public-sector loans. What's more, Pfandbriefe must always be covered by separate funds with at least identical yields and maturities. In addition, all Pfändbriefe äre examined by a state-appointed trustee. Finally, holders of Pfandbriefe have first claim on assets in case of default. As a result of these and other requirements, the German Pfandbrief - system has an unsurpassed track record for safety. In fact, no German mortgage bank has ever defaulted, and no investor has ever failed to receive $100 \%$ repayment on a German Pfandbrief held to maturity.

This time-tested legal framework plus yields usually higher than on German Treasury bonds (Bunds) help explain why Pfandbriefe, at DM 832 billion at year-end 1992, amounted to about $40 \%$ of all bonds outstanding in Germany. Of this total, Germany's 26 private mortgage banks accounted for DM

German Pfandbriefe are officially quated an German stack exchanges. Issuers actively 503 billion. So with German Pfandbriefe you don't have to relax your expectations.

## IF YOU CAN'T RELAX WITH

 'GERMAN PFANDBRIEFE, YOU CAN'T RELAX.
## GERMANY'S MORTGAGE BANKS

DEPFA-BANK, WIESBADEN
BAYERISCHÉ VEREINSBANK AG, MÜNCHEN
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DEUTSCHE HYPOTHEKENBANK FRANKFURT AG, FRANKFURT
RHEINHYP, FRANKFURT
DEUTSCHE GENOSSENSCHAFTS-HYPOTHEKENBANK AG, HAMBURG
RAANKFURTER HYPOTHEKENBANK AG, FRANKFURT
DEUTSCHE CENTRALBODENKREDT-AG, KÖLN
DEUTSCHE CENTRALBODENK BAYERISCHE HANDEISBANK AG, MÜNCHEN

BRAUNSCHWEIG-HANNOVERSCHE

US MONEY AND CREDIT

## Conflicting economic signals bring volatility

UK GILTS
Steady period in prospect

| DEMAND for gilts back of anecdotal evidence that infiationary pressures in the UK are umilikely to be a problem for some time. <br> With little in the way of economic data on inflation, investors were quick to dive into the sign of any fall in prices, Such developments kept support Wedmestay's $59.25 b \mathrm{bn}$ auction of 11.-year gilts, which drained a Over the week 10 yea saw a yield drop of about 10 basis potats, with yielas being quoted at around 7 per cent on a par basis on Friday night. The auction means that the Bank of England has found buyers for threequarters of the ghsbn of gilits which it is esti. mated the UK will need to sell during 199394. $\qquad$ fram non-UX institutions as insurance companies was steady. Whele prices capped on recovered later as investors the increase m yields. <br> The next few days will see few economic data likely to ever, the marikets will be watching for todasue publica. on-year rise in the Mo measure of money supply last month be abount 43 per cent, rather less than the less than the figures for recem |
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group, relies for his views on anecdotes fed to him from on
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## Building prison in

## - America

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CONSTRUCTION CONTRACTS


## OCTOBER 12 2 Improve e eflclency by understandllog family





## Practical doallng course - Forelign exchange







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## CCTOBER 14 Ciny fofencolon Derivatives




## OCTOBEA $14-15$ Bushneess Performance



 OCTOBER 14-15





Crown courts in Docklands

The Lord Chancellor's Department has appointed OSPRRY PRONECT MANAGEMENT as project
managers for the Crown Court at East India Dock in London's Dockland.



## New bypass scheme in Cheshire       

 M8 motorway extension development
 yume

 Upgrading facilities at Ashford Hospital



 and

Business centre in Budapest
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## Water treatment

 NORTH WEST WATER hasclinched a second multi-milion
pound contract to pound contrat to provide a
water treatment plant in
ney. The water company and
 struction company Trassified
will tuild and operate the re
tratment plant for 25 years.

## \& EXHIBITIONS

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WORLD STOCK MARKETS


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FT MANAGED FUNDS SERVICE

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FT MANAGED FUNDS SERVICE


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FINANCIAL TIMES MONDAY OCTOBER 41993

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## FT MANAGED FUNDS SERVICE







AMEX COMPOSITE PRICES










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MONDAY INTERVIEW

## Statesman smoothes the waves

Douglas Hurd，the UK foreign secretary，talks to Philip Stephens

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## Peace in，peacekeeping out















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## We are up against a feeling of suspicion＇



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## Nothing to fear from Nafta

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[^0]:    Tha final move of London units to 125 London Wall will be completed by
    Morday 11 Hh October, 1993 .

